



STATE OF SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS

Mailing Address

P.O. Box 5246
Columbia, SC 29250-5246

Motor Vehicle Dealer Closing Fees

S.C. Code Ann. § 37-2-307 et seq. (Supp. 2004)

www.sccconsumer.gov

803-734-4264/800-922-1594

Street Address

3600 Forest Drive
Columbia, SC 29204-4006

NOTE: THIS ORIGINAL FORM MUST ACCOMPANY A \$10.00 FILING FEE

Business Name Used in S.C.: _____

Registration No. _____

Company Name: _____

Contact Person: _____

Address: _____

Telephone No.: _____

City, State Zip _____

Disclosure of Closing Fees Notice

This dealership charges closing fees as a means of reimbursing it for certain overhead costs such as documents retrieval and document preparation. It is a charge that is permitted but not required by law. The full cash price charged at any dealership depends on many factors, including all products and services bought with the vehicle.

The closing fee charged by _____

Dealer Name _____

Mailing Address _____

Physical Address _____

City, State Zip _____

Will not exceed \$ _____

Prior to July 1, 2006

Signature _____

Name of Officer (Typed) _____

Date _____

Title _____

**FILE BY AUGUST 31 OF EACH YEAR
(Display in a conspicuous location of dealership)**

Instructions

1. If you wish to charge closing fees on motor vehicle sales, please complete the disclosure on front or attach this form to your disclosure of closing fees charged and submit a **\$10.00 registration fee payable to the Department of Consumer Affairs at P.O. Box 5246, Columbia, SC 29250-5246**. See Administrative Interpretation summary below.
2. **All required registrations and payments must be received by the Department before the closing fee is charged to customers. While filings may be made at any time, the Department urges dealers to file between July 1 and August 31 of each year. The filing lapses automatically if any full State fiscal year (July 1-June 30) elapses without a renewal. If the amount of closing fees are increased during the year, a new disclosure filing is required along with a new registration fee.**
3. Listed below on this form is a suggested format for disclosing closing fees. It is not required that dealers use this format and language on this form, but if you do, you will be deemed compliant if the form is properly filled out.
4. **If you have questions, please contact the Accounting and Regulatory Filing Division at 734-4264.**

Consumer Protection Code (Section 37-2-307)

In Part II, Section 82 of the 2000-2001 General Appropriations Act, the General Assembly passed an amendment to the Consumer Protection Code to add Section 37-2-307 which reads as follows:

Every motor vehicle dealer charging closing fees on a motor vehicle sales contract shall pay a one-time registration fee of ten dollars during each state fiscal year to the Department of Consumer Affairs. The closing fee must be included in the advertised price of the motor vehicle, disclosed on the sales contract, and displayed in a conspicuous location in the motor vehicle dealership.

Administrative Interpretation 2.307-0101

The assessment of a "closing" or "documentation" fee (also occasionally denominated as an "administrative," "processing," or "procurement" fee) in a consumer credit sale of a motor vehicle is dependant on four factors:

- 1) The dealer must pay the Department a registration fee each state fiscal year in the amount of ten (\$10.00) dollars prior to the assessment of a closing fee;
- 2) The existence of a closing fee must be disclosed on the sales contract;
- 3) The closing fee must be disclosed is a statement displayed in a conspicuous location in the motor vehicle dealership; and
- 4) If the closing fee is charged, and the vehicle is advertised, the closing fee must be included in the advertised price.

A dealership may use the attached form to make its filing with the Department. A closing fee may only be assessed once these factors are met and the dealership has in its possession a date stamped copy of its disclosure stamped by the Department. The charging of a "closing," "documentation;" or similar fees in connection with a consumer credit sale of a motor vehicle in the absence of any of these requirements constitutes the charging of an excess charge for Consumer Protection Code purposes.

The South Carolina Freedom of Information Act may require the South Carolina Department of Consumer Affairs to release a copy of your filing as a Public Record. Personal Identifying Information will be released only if required by law.